

By: Representative Moore

To: Judiciary B; Insurance

HOUSE BILL NO. 1552
(As Passed the House)

1 AN ACT TO AMEND SECTION 75-49-3, MISSISSIPPI CODE OF 1972, TO
2 REVISE THE DEFINITION OF "RELOCATABLE HOME," AND TO DEFINE THE
3 TERM "DEVELOPER"; TO DEFINE THE TERM "RETAILER"; TO REMOVE THE
4 TERM "RELOCATABLE HOME" THROUGHOUT THE UNIFORM STANDARDS CODE FOR
5 FACTORY-BUILT HOME LAW; TO AMEND SECTIONS 75-49-9 AND 75-49-11,
6 MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; AND FOR RELATED
7 PURPOSES.

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

9 **SECTION 1.** Section 75-49-3, Mississippi Code of 1972, is
10 amended as follows:

11 75-49-3. Unless clearly indicated otherwise by the context,
12 the following words when used in this chapter, for the purpose of
13 this chapter, shall have the meanings respectively ascribed to
14 them in this section:

15 (a) "Manufactured home" means a structure defined by,
16 and constructed in accordance with, the National Manufactured
17 Housing Construction and Safety Standards Act of 1974, as amended
18 (42 USCS 5401, et seq.), and manufactured after June 14, 1976.

19 (b) "Mobile home" means a structure manufactured before
20 June 15, 1976, that is not constructed in accordance with the
21 National Manufactured Housing Construction and Safety Standards
22 Act of 1974, as amended (42 USCS 5401 et seq.). It is a structure
23 that is transportable in one or more sections, that, in the
24 traveling mode, is eight (8) body feet or more in width and
25 thirty-two (32) body feet or more in length, or, when erected on
26 site, is two hundred fifty-six (256) or more square feet, and that
27 is built on a permanent chassis and designed to be used as a
28 dwelling with or without a permanent foundation when connected to
29 the required utilities, and includes any plumbing, heating, air

30 conditioning and electrical systems contained therein; except that
31 such term shall include any structure which meets all the
32 requirements and with respect to which the manufacturer
33 voluntarily files a certification required by the commissioner and
34 complies with the standards established under this chapter.

35 (c) "Modular home" means a structure which is: (i)
36 transportable in one or more sections; (ii) designed to be used as
37 a dwelling when connected to the required utilities, and includes
38 plumbing, heating, air conditioning and electrical systems with
39 the home; and (iii) certified by its manufacturers as being
40 constructed in accordance with a nationally recognized building
41 code.

42 (d) "Factory-built home" means a mobile home, a
43 manufactured home, and a modular home as those terms are defined
44 herein.

45 (e) "Commissioner" means the Commissioner of Insurance
46 of the State of Mississippi.

47 (f) "Chief Deputy State Fire Marshal" means the
48 individual appointed by the Commissioner of Insurance, who, along
49 with his employees, is designated by the commissioner to implement
50 and enforce this chapter and to maintain, among other duties, the
51 Factory Built Division of the Insurance Department.

52 (g) "Division" means the Factory Built Division of the
53 State Fire Marshal's Office.

54 (h) "Person" means any individual, firm, corporation,
55 partnership, association or other type of business entity.

56 (i) "Retailer" means any person engaged in the retail
57 sale of new or used manufactured mobile or modular homes to the
58 general public.

59 (j) "Developer" means any person who buys factory-built
60 homes and real estate and then offers to sell or lease to the
61 general public land-home "package deals" consisting of a home with
62 real estate. Upon renewal of a license, a developer must provide

63 documentation to the Department of Insurance that he or she has at
64 least five (5) available manufactured or modular home sites. A
65 developer shall be responsible for installation requirements for
66 manufactured or modular housing as set forth in Section IV of the
67 rules and regulations for the Uniform Standards Code for
68 Factory-Built Homes Law.

69 (k) "Independent contractor installer or transporter"
70 means any person who is engaged for hire in the movement or
71 transportation, or both, or the installation, blocking, anchoring
72 and tie-down of a factory-built home. An "independent contractor
73 installer or transporter" shall not include persons who do not
74 hold themselves out for hire to the general public for the
75 purposes described in this definition.

76 (l) "Manufacturer" means any person engaged in the
77 production (construction) of manufactured homes or modular homes.

78 **SECTION 2.** Section 75-49-9, Mississippi Code of 1972, is
79 amended as follows:

80 75-49-9. (1) After July 1, 1992, every manufacturer, every
81 transporter or installer, developer and every retailer who sells,
82 manufactures, transports or installs new or used factory-built
83 homes within the State of Mississippi shall apply for and obtain a
84 license from the commissioner.

85 (2) If a factory-built home is new, the applicant shall
86 certify in the application to the commissioner that the applicant
87 will comply with the construction standards set forth under rules
88 and regulations provided in Section 75-49-5 herein, and that the
89 applicant has obtained a current and valid tax identification
90 number.

91 (3) Applications shall be obtained from and submitted to the
92 commissioner on forms prescribed by the commissioner.

93 (4) The original license fee and all annual renewals thereof
94 shall be Two Hundred Fifty Dollars (\$250.00) for manufacturing
95 plants that build manufactured homes and Two Hundred Fifty Dollars

96 (\$250.00) for manufacturing plants that manufacture * * * modular
97 homes located within or without the State of Mississippi
98 manufacturing or delivering homes for sale within the State of
99 Mississippi and One Hundred Fifty Dollars (\$150.00) per
100 manufactured home and/or * * * modular home retailer location and
101 developer location within the State of Mississippi. The licensing
102 fee for a manufactured home and/or * * * modular home independent
103 contractor transporter or installer is One Hundred Dollars
104 (\$100.00) for each company. The fee for * * * modular home plan
105 review shall be Four Hundred Dollars (\$400.00) per floor plan;
106 however, this fee shall not apply to any * * * modular home plan
107 reviews completed before July 1, 1998. Except as otherwise
108 provided in subsection (10) of this section, the license shall be
109 valid for a period of one (1) year from the date of issuance, or
110 until revoked as provided herein.

111 (5) After the effective date of this chapter, every
112 manufacturer, transporter or installer or seller who first sells,
113 manufactures, transports or installs a new or used factory-built
114 home in this state, before such first construction, sale,
115 transportation or installation shall apply for and obtain a
116 license from the commissioner. The fee shall be paid to the
117 commissioner in such manner as the commissioner may by rule
118 require. All funds received by the commissioner shall be
119 deposited in a special fund account in the State Treasury to the
120 credit of the Department of Insurance.

121 (6) Every manufacturer of manufactured homes in the state
122 shall pay a monitoring inspection fee to the Secretary of Housing
123 and Urban Development, or the secretary's agent, for each
124 manufactured home produced in the state by the manufacturer. The
125 fee shall be in an amount established by the secretary pursuant to
126 the National Manufactured Home Construction and Safety Standards
127 Act of 1974, 42 USCS 5401 et seq. and as amended by the
128 Manufactured Housing Improvement Act of 2000. The portion of the

129 fee which is returned to the state shall be deposited by the
130 commissioner in a special fund account in the State Treasury to
131 the credit of the Department of Insurance.

132 (7) The commissioner shall investigate and examine all
133 applicants for all licenses by holding such hearings as he shall
134 deem necessary or conducting investigations or examinations, or
135 any combination thereof, as to the fitness or expertise of the
136 applicant for the type of license for which the applicant applied.
137 A license shall be granted only to a person who bears a good
138 reputation for honesty, trustworthiness, integrity and competency
139 to transact the business in such a manner as to safeguard the
140 interest of the public and only after satisfactory proof of such
141 qualifications has been presented to the commissioner.

142 (8) The commissioner shall take all applicants under
143 consideration after having examined them through oral or written
144 examinations, or both, before granting any license. If the
145 applicant is an individual, examination may be taken by his
146 personal appearance for examination or by the appearance for
147 examination of one or more of his responsible, full-time managing
148 employees; and if a partnership or corporation or any other type
149 of business or organization, by the examination of one or more of
150 the responsible, full-time managing officers or members of the
151 executive staff of the applicant's firm. Every application by an
152 individual for a license to sell, transport or install new or used
153 mobile, manufactured and modular homes shall be verified by the
154 oath or affirmation of the applicant, and every such application
155 by a partnership or corporation shall be verified by the oath or
156 affirmation of a partner or an officer thereof. The applications
157 for licenses shall be in such form and detail as the commissioner
158 shall prescribe.

159 (9) The holder of any valid license issued by the
160 commissioner at the time this section becomes effective shall be
161 automatically issued an equivalent license in the same category

162 for which his previous license was issued if the licensee is in
163 compliance with this chapter.

164 (10) Beginning July 1, 1988, every license issued under this
165 chapter shall be issued annually and shall expire on June 30
166 following the date upon which it was issued. License fees shall
167 not be prorated for the remainder of the year in which the
168 application was made but shall be paid for the entire year
169 regardless of the date of the application. The commissioner
170 shall, on or before April 30, 1989, and on or before April 30 of
171 each succeeding year thereafter, forward a "Notice of Renewal," by
172 regular United States mail, to each licensee at his or its last
173 known post office address. After depositing the "Notice of
174 Renewal" in the United States mail, the commissioner shall have no
175 other duty or obligation to notify the licensee of the expiration
176 of his or its annual license. The failure of the licensee to
177 obtain a renewal license on or before June 30 of the ensuing
178 license period shall act as an automatic suspension of the license
179 unless the commissioner, for good cause shown in writing and the
180 payment of an amount equal to double the renewal fee for said
181 delinquency, lifts the suspension and issues the renewal license.
182 During the period of suspension any practice by the licensee under
183 the color of such license shall be deemed a violation of this
184 chapter. Annual renewals of a retailer's license shall require,
185 as a condition precedent, that the retailer verify by oath or
186 affirmation that he maintains a retail sales lot in accordance
187 with all rules and regulations promulgated by the commissioner and
188 that the lot has three (3) or more new or used factory-built homes
189 located thereon for retail sale as a residential dwelling or for
190 any other use at the time of application.

191 **SECTION 3.** Section 75-49-11, Mississippi Code of 1972, is
192 amended as follows:

193 75-49-11. The commissioner, acting through the Chief Deputy
194 State Fire Marshal and the Factory Built Division of the Insurance

195 Department, is hereby charged with the administration of this
196 chapter. He may make and amend, alter or repeal, general rules
197 and regulations of procedure for carrying into effect all
198 provisions of this chapter, for obtaining statistical data
199 respecting manufactured mobile and modular homes, and to prescribe
200 means, methods and practices to make effective such provisions and
201 he may make such investigations and inspection as in his judgment
202 are necessary to enforce and administer this chapter.

203 The commissioner is authorized and empowered to require each
204 manufacturer, distributor, retailer and transporter or installer
205 of factory-built homes to establish and maintain such records,
206 make such reports and provide such information as he may
207 reasonably require to determine whether the manufacturer,
208 distributor, retailer, transporter or installer has acted or is
209 acting in compliance with this chapter and the National
210 Manufactured Housing Construction and Safety Standards Act of
211 1974, as amended (42 USCS 5401 et seq.) and as amended by the
212 Manufactured Housing Improvement Act of 2000, and other rules and
213 regulations prescribed according to this chapter. The
214 commissioner, or a person duly designated by the commissioner, is
215 authorized to inspect appropriate books, papers, records and
216 documents of any manufacturer, distributor, retailer, transporter
217 or installer of factory-built homes which are relevant to
218 determining if the licensee has acted or is acting in compliance
219 with this chapter and the Federal Manufactured Home Construction
220 and Safety Standards (24 CFR Section 3280) and other rules and
221 regulations prescribed according to this chapter.

222 **SECTION 4.** This act shall take effect and be in force from
223 and after July 1, 2005.